

WARREN COUNTY TREASURER

Michael R. Swan
County Treasurer

Robert V. Lynch II, CPA
Deputy Treasurer

To: All Supervisors

From: Michael R. Swan, Treasurer

Date: August 23, 2018

Subject: Budget Analysis Report

Budget Analysis Report

The purpose of the monthly budget analysis report is to make the County Supervisors and Administration aware of certain issues that may present a problem in the near future or are currently a problem. It is important that appropriate action be taken to address these issues or concerns before they become a problem.

We have analyzed the revenue and expenditure budgets for the County departments as of July 31, 2018 and have noted certain items Supervisors should be aware of.

Revenues

County Clerk

County Clerk Fees – As of July 31, the department has received \$702,191 in County Clerk Fees in 2017 and \$742,519 in 2018 which is an increase of 6%. It should be noted that the 2018 amount is at 62% of the budget for this account so the actual revenue received is on target to exceed the budget.

Mortgage Tax – As of July 31, the department has received \$1,045,290 in Mortgage Tax in 2017 and \$1,115,160 in 2018 which is an increase of 7%. It should be noted that the 2018 amount is at 70% of the budget for this account so the actual revenue received is on target to exceed the budget.

Automobile Use Tax – As of July 31, the department has received \$249,356 in Automobile Use Tax in 2017 and \$254,805 in 2018 which is an increase of 2%. It should be noted that the 2017 amount is through June and is at 53% of the budget for this account, so the actual revenue amount received is on target to exceed the budget.

County Treasurer

Sales Tax – It has been noted that we have collected \$1,402,538 more in sales taxes through July, 2018 than we did for the through July, 2017 which is a 4.9% increase.

Tourism

Occupancy Tax – The department has collected \$153,273 more in occupancy taxes as of July 31, 2018 than we did as of July 31, 2017 which is a 15.8% increase.

Sheriff's Correction Division

Jail Services, Other Government – As of July 31, the department has received \$64,484 in Jail Services, Other Government in 2017 and \$103,244 in 2018 which is an increase of 60%. It should be noted that the 2018 amount is through June and is at 52% of the budget for this account so the actual revenue amount received is on target to exceed the budget.

Westmount Receivables

Medicaid – The County is currently owed \$552,683 in patient Medicaid claims.

The Board has elected to pursue collection of the receivables. On January 22, 2018, the County contracted with a third party for the purpose of determining whether or not the County can rebill for the outstanding claims. If it is determined that the County can rebill, then we will have to hire someone to do the rebilling.

The consultant has completed his analysis of the outstanding claims and submitted a request to the NYS Department of Health to determine whether or not the County will be paid on these claims and is awaiting a response.

Universal Settlement - \$327,093 was recorded as a receivable for a universal settlement prior to the sale of Westmount. This amount is to be paid over a five year period. The first payment is being held up because the new owners of Westmount are contesting that they are entitled to receive a portion of this settlement. **A settlement has been reached whereby Warren Operations Associates, LLC will be receiving \$120,000 of the Universal Settlement. We have received \$131,579 of the amount owed to the County with the balance coming at a later date.**

Building & Fire Code

Building Permits – As of July 31, the department received \$100,556 in building permits in 2017 and \$104,995 in 2018 which is an increase of 4%. It should be noted that the 2018 amount is at 58% of the budget for this account so that actual revenue received is on target with the budget.

Lake George Watershed Conference

This issue was previously reported in prior 2013, 2014 and 2015 budget analysis reports and it has been reported that an application for payment has been submitted to the State. We have received \$30,000 in March and were notified that we should expect to receive \$50,000 during the second week in May (we have not received this payment as of the date of this report which was to be paid by the Town of Queensbury) and \$22,000 which was expected to be received in June (we have not received this payment as of the date of this report which was to be paid by the Town of Bolton).

We currently have an outstanding receivable from the Lake George Watershed Conference for \$72,500 dating back to 2007 relating to a Valley Woods Road Project. It is unclear whether or not we have a contract with the Lake George Watershed Conference for this project, but it is our understanding that they are to pay us when they receive State Aid reimbursement.

The grant administrator handling this project for the County has been charged with a felony and everything is currently under investigation so it is uncertain when and if the County will receive payment. Based upon information provided by the Town of Queensbury, the Town fully paid their \$100,000 share of the project to the grant administrator who was acting on behalf of the Lake George Watershed Conference. The County only received \$50,000 of this money. We have recorded an allowance for doubtful accounts in the County Road fund for this other \$50,000 because it is questionable if the County is going to be able to collect these funds and it is likely that we will have to write this balance off.

Health Services

Home Nursing Charges – As of July 31, the department has received \$1,848,452 in Home Nursing Charges in 2017 and \$1,909,102 in 2018 which is an increase of 3.3%. It should be noted that the 2018 amount is through June and is at 45% of the budget for this account, so the actual revenue amount is lagging behind the budget.

Expenditures

Please see the attached Budget Exception report which summarizes budgeted expenditure line items where there is currently a problem or there may be a problem in the future. We are reporting on an exception basis only.

County Debt Balances

The following shows the County's current debt outstanding as of July, 2018 along with ending debt balances for future years:

	Current	End of 2018				2022-	2027-	2032-	
Bonds	Balance	Balance	2019	2020	2021	2026	2031	2036	2037
Pub Safety Bldg & Com Upgrade	5,430,000	5,430,000	4,325,000	3,240,000	2,165,000	-	-	-	-
Recovery Act Bonds, Various Proj	16,935,000	16,265,000	15,570,000	14,845,000	14,080,000	9,635,000	4,015,000	-	-
Court Expansion - 2015	7,325,000	7,325,000	6,980,000	6,625,000	6,260,000	4,305,000	2,060,000	-	-
Court Expansion - 2017	8,085,000	8,085,000	7,740,000	7,390,000	7,030,000	5,120,000	2,975,000	535,000	-
SUNY Adirondack NSTEM - 2017	5,485,000	5,485,000	5,250,000	5,010,000	4,765,000	3,465,000	2,015,000	360,000	-
Capital Leases									
Municipal Center Energy Project	1,209,177	1,003,899	781,029	539,915	279,884	-	-	-	-
Countryside Adult Home Energy Proj	102,050	95,092	66,762	37,616	7,630	-	-	-	-
Total Outstanding	44,571,227	43,688,991	40,712,790	37,687,531	34,587,515	22,525,000	11,065,000	895,000	-

Again, we invite comments from Supervisors and department heads to expand this into a more useful management tool in these critical financial times.